

May 18, 2011  
Senate Economic Development Committee

A Statement from Carlson Catering Company:

**2008 was a poor year for our business.** Due to economic times, my company lost 56% of our Private Aviation Revenues and 48% of our Corporate Catering Revenues. The catering business was sinking fast and we were about to lose it. **Over 40 people were about to lose their jobs.** We downsized the best we could to hang on. It wasn't easy, but....we found another type of customer...Film Production Companies. **We catered the first film to receive Michigan Film Incentive Money...Raised Alone.** It was a life preserver! Looking at this new, exciting opportunity, we decided to look for more work in film catering. In 2008, we provided catering and/or craft services on numerous television shows and films. It began to replace some of the lost revenues from the previous year and by early 2009, **we created eight new jobs because of the film business.**

In 2008, 2009 and 2010, our catering company worked as a film caterer. During this time, we invested in vehicles and equipment, based on the understanding that Michigan's Film Incentives would be live for five years from their inception in 2008. After waiting a year to test the waters, we dove in 100% **and invested over \$200,000**, knowing we had four more years to pay off the notes. **During this three year period, revenues from films brought in just over \$1M.** All monies earned was pumped right back into the Michigan economy in the form of gasoline, wages and food products. Because we are a small, Michigan family run business, we decided to help other small businesses. **We heavily used local vendors** (bakeries, rental companies, propane services, farmer markets, Michigan water companies, grocery stores, convenience stores, specialty stores) in the cities that we were working in, including Holland, Rochester, Detroit, Ann Arbor, Canton, Novi, and others. Above the company's revenues, our staff that were directly involved working on films earned good living wages.

It has been a pleasure to work in this industry. To show those outside of Michigan that we have culinarians here who can keep up with the coasts. Our company employs nearly **40 Michigan taxpayers.** Each of them have families, own homes and are residents of Michigan. They have enjoyed not only the excitement of working on films, but also the job security.

Since Governor Snyder made his announcement on February 17th about the film incentives, **my company LOST three large film jobs that was worth hundreds of thousands of dollars.** This was the first year we would have had a sizeable contract. We had convinced a Hollywood production company to use a Michigan caterer instead of bringing in California caterers like all the LARGE productions were doing over the previous years. The productions companies were finally starting to trust us...and when I say us, I mean the Michigan workforce. We were signing the deal the Monday after the Governor's announcement. Monday came and the door closed. They pulled out and went to another state.

We are back to treading water each month. Our company is facing more cutbacks to try to survive. All of our people are working beyond capacity to hold on to their jobs to try to help us hang on, once. again.

**The Michigan Film Incentive was and is important to our company.**

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